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**THE IMPACT OF INTERNAL AUDIT QUALITY,
EFFECTIVE INTERNAL CONTROLS, AND
INSTITUTIONAL CONTEXT FACTORS ON LOCAL
GOVERNMENT PERFORMANCE IN NIGERIA**



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**DOCTOR OF PHILOSOPHY
UNIVERSITI UTARA MALAYSIA
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CONTROLS, AND INSTITUTIONAL CONTEXT FACTORS ON LOCAL
GOVERNMENT PERFORMANCE IN NIGERIA**



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**Thesis Submitted to
Tunku Puteri Intan Safinaz School of Accountancy,
Universiti Utara Malaysia,
In Fulfillment of the Requirement for the Degree of Doctor of Philosophy**

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ABSTRACT

As the third tier of government in Nigeria, local governments are struggling with issues bothering on performance failures. Stakeholders are demanding answers on why local governments are unable to deliver on their mandate. Accountability mechanisms like internal audit and internal controls have been acknowledged to bring about improvement in processes and performance. However, there seem to be little influence of these mechanisms as performance failures still trail local governments. It has also been acknowledged that internal audit and internal controls alone may not generate the much needed improvement unless embedded in the governance system of an organization. On this basis, this study examined the impact of internal audit quality, effective internal controls, and institutional context factors on local government performance in Nigeria. Data were collected from 301 heads of internal audit units of local governments in Nigeria using a structured questionnaire. Also, follow up interviews were conducted to clarify the findings of the survey. The results indicated that internal audit quality and effective internal controls were positively and significantly related to local government performance. Also, institutional context factors showed mixed relationships with local government performance. Particularly, strategic planning and top management commitment were positively and significantly related to performance. However, internal audit and external audit collaboration and political interference were negatively and significantly related to local government performance while strategic mission, regulations, internal audit relationship with management and auditees, and corporate ethical culture had no significant relationship with performance. Thus, the study provides evidence of a relationship between internal audit quality, effective internal controls, institutional context factors and performance in the local government. Therefore, there is need for local administrators and policy makers to address institutional context issues to enable internal audit quality and effective internal controls thrive for better performance of local governments in Nigeria.

Keywords: local government performance, internal audit quality, effective internal controls, institutional context factors, Nigeria

ABSTRAK

Sebagai kerajaan peringkat ketiga di Nigeria, pihak kerajaan tempatan akhir-akhir ini sedang bergelut dengan isu-isu kelemahan prestasi. Para pemegang taruh kini menuntut jawapan mengapa kerajaan tempatan tidak mampu menunaikan tanggungjawab mereka seperti yang telah dimandatkan. Mekanisme-mekanisme kebertanggungjawaban seperti audit dalaman dan kawalan dalaman telah diperakui boleh menambahbaik pemprosesan dan prestasi. Walaubagaimanapun, hanya terdapat sedikit pengaruh oleh mekanisme-mekanisme ini, memandangkan kegagalan prestasi masih menghantui pihak kerajaan tempatan. Adalah juga diperakui bahawa audit dalaman dan kawalan dalaman sahaja tidak banyak membantu menambahbaik melainkan diserapkan ke dalam sistem tadbir urus organisasi tersebut. Atas dasar ini, kajian ini memeriksa impak kualiti kawalan dalaman, keberkesanan kawalan-kawalan dalaman dan juga faktor-faktor konteks keinstitusian ke atas prestasi kerajaan tempatan di Nigeria. Data diperoleh daripada 301 ketua unit audit dalaman kerajaan tempatan Nigeria menggunakan soal selidik berstruktur. Di samping itu, temubual juga dikendalikan bagi mendapatkan pencerahan terhadap dapatan daripada kajiselidik ini. Dapatan menunjukkan bahawa kualiti audit dalaman dan keberkesanan kawalan dalaman mempunyai hubungan positif dan signifikan terhadap prestasi kerajaan tempatan. Tambahan pula, faktor-faktor konteks keinstitusian menunjukkan hubungan yang bercampur dengan prestasi kerajaan tempatan. Terutamanya, pelan strategik dan komitmen pengurusan atasan mempunyai hubungan positif dan signifikan terhadap prestasi kerajaan tempatan. Walau bagaimanapun, kerjasama antara audit dalam dan luaran mempunyai hubungan negatif dan signifikan terhadap prestasi kerajaan tempatan, manakala, misi strategik, peraturan-peraturan, hubungan audit dalaman dengan pihak pengurusan dan pihak yang diaudit, serta budaya etika korporat tidak mempunyai hubungan yang signifikan terhadap prestasi kerajaan tempatan. Dapat disimpulkan bahawa kajian ini memberikan bukti terdapatnya hubungan di antara kualiti audit dalaman, keberkesanan kawalan dalaman, dan faktor-faktor konteks keinstitusian dan prestasi bagi kerajaan tempatan. Oleh itu, adalah satu keperluan di pihak pentadbir-pentadbir tempatan dan juga pembuat-pembuat polisi memberikan perhatian terhadap isu-isu konteks keinstitusian bagi membolehkan kualiti audit dalaman dan keberkesanan kawalan-kawalan dalaman bertindak untuk prestasi yang lebih baik di dalam kerajaan tempatan.

Kata kunci: prestasi kerajaan tempatan, kualiti audit dalaman, kawalan dalaman, faktor konteks keinstitusian, campur tangan politik, Nigeria.

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LIST OF ABBREVIATIONS

C	Competence
CC	Corporate Ethical Culture
CBN	Central Bank of Nigeria
CD	Training and Development
CEO	Chief Executive Officer
COB	College of Business
COSO	Committee of Sponsoring Organizations
EICS	Effective Internal Controls
GR	Regulations
IA	Internal Audit
IAEA	Internal Audit and External Audit Collaboration
IAQ	Internal Audit Quality
IFAD	International Fund for Agricultural Development
IIA	Institute of Internal Auditors
INTOSAI	International Organization of Supreme Audit Institution
KMO	Kaiser-Meyer-Olkin
LGs	Local Governments
MSA	Measures of Sampling Adequacy
MS	Management Support
OP	Organizational Performance
OYAGSB	Othman Yeop Abdullah Graduate School of Business
OID	Organizational Independence
PI	Political Interference
PERF	Local Government Performance
QWK	Quality of Work
SP	Strategic Planning
SPSS	Statistical Package for Social Science
STATA	Statistics and Data
SM	Strategic Mission

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Local governments are recognized as conduits through which gains of leadership filters down to the community and major developments of highly democratic societies gained credence from local governments (Schoburgh, 2012). Local governments are founded on the principles of community well-being, access to basic amenities and responsible management of resources (Municipal World, 2009). Local governments serve to ease the conduct of government activities and ensure adequate representation of communities. Thus, it is borne out of decentralization of upper tier governance in order to reach communities (Asaju, 2010). It is estimated that 49.5 percent of the world's population live in rural areas of Africa and Asia, and have rural populations of 60 percent and 58 percent respectively (United Nations, 2011). In Nigeria, rural population make up 50 percent of the total estimated population of 168.8million (World Bank, 2012). This leaves the local government with an enormous task of ensuring resources are managed effectively and efficiently to maximize value for the citizens.

One main reason for the setting up of the local government in Nigeria is to ensure citizens at the community level get the most out of government through the provision of goods and services that are better served at that level than by central and state governments (Lawal & Oladunjoye, 2010). The local government is the third tier of government in Nigeria established for speedy development of communities through providing essential services that other tiers of government may not efficiently undertake (Lawal & Oladunjoye, 2010). Local governments provide services such as sanitation,

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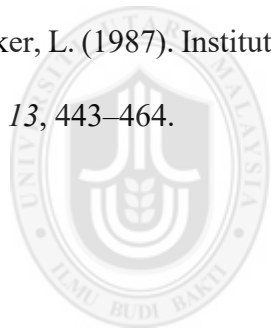
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Appendix A: Research Questionnaire



RESEARCH QUESTIONNAIRE

**COLLEGE OF BUSINESS, UNIVERSITI UTARA MALAYSIA, SINTOK,
KEDAH, MALAYSIA**

Dear Sir,

This questionnaire is designed purely for academic research purposes. It is meant to aid in the data collection process as a requirement for award of the PhD degree in Accounting. The questionnaire is designed to obtain data for examining the relationship among internal audit quality, effective internal controls, institutional context factors and local government performance in Nigeria.

Please be assured that your responses will be strictly treated as confidential and only for research.

Thank you in anticipation of your cooperation and assistance. Please do not hesitate to contact me should you require further clarification.

Yours sincerely,

Obal Usang Edet Usang

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PART A

Instructions: Below are statements that describe how you perceive the following factors (**effective internal controls, internal audit quality, top management commitment, corporate ethical culture, strategic planning, strategic mission, and Internal audit relationship with management and auditees**) that influence **performance of local governments** in Nigeria. Please use the following scales to indicate your level of agreement or disagreement with each statement from "Strongly disagree" to "Strongly agree".

Code	Scale Items	Strongly disagree				Strongly Agree
	Effective Internal Controls					
EICS1.	My local government adheres strictly to laid down policies in running its affairs	1	2	3	4	5
EICS2.	Management is committed to ethics integrity in running the Council	1	2	3	4	5
EICS3.	Council executive members are sufficiently competent to carry out their duties	1	2	3	4	5
EICS4.	Deviations from standard policies are promptly investigated	1	2	3	4	5
EICS5.	Risk assessment is carried out by Council executive in order to ensure achievement of stated objectives of the local government	1	2	3	4	5
EICS6.	External auditors recommendations on internal controls are promptly implemented	1	2	3	4	5
EICS7.	Followup on recommendations on the internal control system deficiency is carried out to take corrective actions	1	2	3	4	5
EICS8.	Periodic verification of records is undertaken to safeguard physical assets	1	2	3	4	5

Code	Internal Audit Quality:					
	Competence					
C1	Internal audit employees have relevant education in auditing and accounting	1	2	3	4	5
C2	Internal audit staff have thorough knowledge of local government operations	1	2	3	4	5
C3	Internal audit employees have professional certifications such as CIA, CPA, ACA, CNA	1	2	3	4	5
C4	Internal audit employees regularly attend training programs	1	2	3	4	5
	Quality of work performed					
QWK1	Internal audit completely determines the annual audit work plans	1	2	3	4	5
QWK2	Internal audit is able to cover all areas in its annual audit plan for the local government	1	2	3	4	5
QWK3	Internal audit regularly follows up to examine actions taken to effect corrections on observations made	1	2	3	4	5
QWK4	Internal audit ensures organizational resources are used effectively	1	2	3	4	5
QWK5	Internal audit assist local government management to evaluate risks	1	2	3	4	5
Code	Organizational Independence					
OID1	The head of internal audit has direct working relations with the Chair of the local government	1	2	3	4	5
OID2	The approval of the Local Government Service Commission is required before terminating the job of an internal audit staff	1	2	3	4	5

OID3	Internal audit has free access to all information about my local government	1	2	3	4	5
OID4	Internal audit in my local government can audit any issue without restrictions	1	2	3	4	5
Training and development						
CD1	Internal audit department is a stage in preparing employees for non-audit positions in the local government	1	2	3	4	5
CD2	Internal audit department is a stage in the promotion process of employees in the local government	1	2	3	4	5
CD3	Internal audit staff are regularly exposed to career development courses in my local government	1	2	3	4	5
CD4	Internal audit has a defined career path	1	2	3	4	5
Code	Top management support toward internal audit					
MS1	Management is aware of the needs of internal audit as shown in the budget allocated to the department	1	2	3	4	5
MS2	Management provides enough support for internal audit training and development	1	2	3	4	5
MS3	Our internal audit department has enough staff compared to the amount of audit work to be carried out	1	2	3	4	5
MS4	Top management provides internal audit with the support it requires to contribute to performance of local government	1	2	3	4	5

Code						
Top management commitment						
TMC1	Top management of my local government is truly committed to improving the quality of service to communities	1	2	3	4	5
TMC2	Top management of my local government constantly searches for better ways of improving performance	1	2	3	4	5
TMC3	Top management of my local government encourages employees to search for ways to contribute to performance	1	2	3	4	5
TMC4	Top management of my local government implements areas of performance improvement identified by employees	1	2	3	4	5
TMC5	Top management of my local government is willing to put in a great effort beyond that normally expected in order to improve performance of our local government	1	2	3	4	5
Code						
Strategic planning						
SP1	Strategic planning supports the achievement of local government goals	1	2	3	4	5
SP2	Strategic planning process in my local government is considered efficient	1	2	3	4	5
SP3	Detailed action plans are developed to support local government performance strategy	1	2	3	4	5
SP4	Strategic planning activities are clearly documented in my local government	1	2	3	4	5
SP5	Strategic planning is given top priority by top management in my local government	1	2	3	4	5
SP6	The procedures of strategic planning are well understood by those responsible for implementation	1	2	3	4	5

Code Strategic mission						
SM1	The main service to communities by my local government is clearly identified	1	2	3	4	5
SM2	There is a clear description of what my local government wants to become	1	2	3	4	5
SM3	My local government statement of mission promotes a sense of shared expectations in employees	1	2	3	4	5
SM4	The statement of mission promotes a favourable image of my local government to stakeholders	1	2	3	4	5
SM5	My local government mission statement generates better allocation of resources	1	2	3	4	5
Code Internal audit relationship with management and auditees						
IAMA1	Internal audit has unimpeded access to all aspects of local government operations including records and properties	1	2	3	4	5
IAMA2	Management and auditees are usually prepared prior to an audit in my local government	1	2	3	4	5
IAMA3	Management and auditees maintain a positive attitude during audit	1	2	3	4	5
IAMA4	Management and auditees take responsibility for deficiencies highlighted during audit	1	2	3	4	5
IAMA5	Management and auditees see internal audit as partners in improving the performance of my local government	1	2	3	4	5

Code	Corporate ethical culture					
CC1	Top management sets a good example of ethical behaviour	1	2	3	4	5
CC2	Sufficient information is made available to enable employees discharge their responsibilities	1	2	3	4	5
CC3	In my local government, adequate checks are undertaken to detect unethical behaviour	1	2	3	4	5
CC4	In my local government, employees are allowed to freely express their opinion	1	2	3	4	5
CC5	In my local government, incidence of unethical behaviour is viewed seriously	1	2	3	4	5
CC6	In my local government, appropriate disciplinary action is taken against unethical behaviour without regard to the position of perpetrator of the unethical act	1	2	3	4	5
Code	Internal audit and external audit collaboration					
IAEA1	Internal and external auditors collaborate on areas of audit coverage	1	2	3	4	5
IAEA2	Internal and external auditors collaborate on work schedules during audit	1	2	3	4	5
IAEA3	Internal and external auditors freely access each other's working papers	1	2	3	4	5
IAEA4	Audit reports and other management letters are freely exchanged between internal and external audit	1	2	3	4	5
IAEA5	Collaboration between internal and external audit increases efficiency of the conduct of audit	1	2	3	4	5
IAEA6	Collaboration between internal and external audit improves the quality of local government performance information	1	2	3	4	5
Code	Regulations					
GR1	Government regulations promote fiscal health of local government	1	2	3	4	5
GR2	Local government functions well with government regulations	1	2	3	4	5

GR3	Service delivery in local government is effective by complying with government regulations	1	2	3	4	5
GR4	Efficient use of resources in local government is occassioned by complying with government regulations	1	2	3	4	5
GR5	Government regulations impacts efficiency and effectiveness of local government operations	1	2	3	4	5
Code	Political interference					
PI1	Political interference of higher government is important for policy direction of local government	1	2	3	4	5
PI2	Local administrative initiative is limited by Political interference	1	2	3	4	5
PI3	Political interference diverts local government goals	1	2	3	4	5
PI4	Politicians outside my local government are unnecessarily involved in local government administration	1	2	3	4	5
PI5	Political interference has lead to reversal of audit findings in my local government	1	2	3	4	5
PI6	There are instances of providing incomplete information in order to justify an outcome in my local government	1	2	3	4	5

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Part B: Local government performance

Code	Scale Items	Strongly disagree			Strongly Agree		
	Local government performance (Financial)						
FP1	The current financial situation in my local government is acceptable	1	2	3	4	5	
FP2	Capital improvement plans in my local government is fully financed	1	2	3	4	5	
FP3	My local government is able to maintain current employee salaries and benefits	1	2	3	4	5	
FP4	My local government council has been able to roll over cash reserves from previous budget cycles	1	2	3	4	5	
FP5	The internal revenue generated by my local government in previous budget cycles is adequate	1	2	3	4	5	
	Local government performance (Non Financial)						
		Very Low			Very High		
NFP1	How would you rate the overall productivity of your local government	1	2	3	4	5	
NFP2	Overall, how would you rate the quality of services provided by your local government	1	2	3	4	5	
NFP3	Overall, how would you rate the work performed by your local government in achieving its set objectives	1	2	3	4	5	
NFP4	Overall, how would you rate the procedures put in place by your local government to improve the quality of services offered to communities	1	2	3	4	5	

Part C: Demographic and Background Information

Information: Please tick and/ or fill as appropriate in the provided spaces your exact assessment of the following demographic and background information:

A. Gender ☐ Male ☐ Female

B. Age ☐ 21-30 ☐ 31-40 ☐ 41-50 ☐ 51 Above

C. Work Experience

☐ less than 1 year ☐ 1-5 years ☐ 5-10 years ☐ Above 10 years

D. Work experience in internal audit

☐ less than 1 year ☐ 1-5 years ☐ 5-10 years ☐ Above 10 years

E. Highest Educational Qualification

☐ Doctorate ☐ Masters ☐ First degree ☐ Diploma/NCE
☐ Secondary school certificate ☐ Others (Specify)

F. Your academic major

☐ Accounting ☐ Auditing ☐ Finance ☐ Economics ☐ others (specify)

G. Please indicate your professional certifications (e.g CIA, ACA, CNA etc)

.....

H. Please indicate the size of the work force in your local government council

☐ 1-50 ☐ 51-100 ☐ 101-500 ☐ 501-1000 ☐ 1001-5000
☐ Above 5000

I. Please indicate the size of the internal audit department (number of staff) in your local government council.....

J. Please indicate the reporting level of the Chief Internal Auditor of your local government council.....

K. In which of the geopolitical zone is your local government located?

North-Central ☐

North-East ☐

North-West ☐

South-East ☐

South-West ☐

South-South ☐

Thank you so much for your cooperation.

Obal Usang Edet Usang

Appendix B: Feedback on Pilot Survey

1. How many minutes did it take you to complete the survey questionnaire?

2. Do you think the 20-25 minutes allocated to completing the survey questionnaire is appropriate?

3. Please provide comments on statements you found to be unclear

Section: _____

Question No.: _____

Suggestion for

improvement: _____

4. Please provide comments on statements you had difficulty answering

Section: _____

Question No.: _____

Suggestion for

improvement: _____

5. Do you think all sections included in the questionnaire appropriate and in the right order?

Yes ☐

No ☐

Please give your comments

6. Do you think the length of each question is appropriate?

Yes ☐

No ☐

Please give your comments

7. Do you think the length of the entire questionnaire is appropriate?

Yes ☐

No ☐

Please give your comments

8. Do you find any question uncomfortable for you to answer?

Yes ☐

No ☐

Please give your comments

9. On the whole, what is your opinion about the questionnaire?

Please give your comments

10. Please kindly give any other comment that you think will help improve the survey questionnaire.

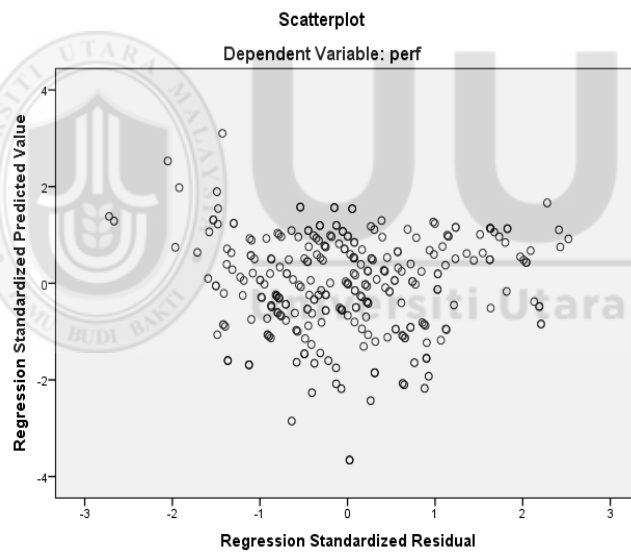
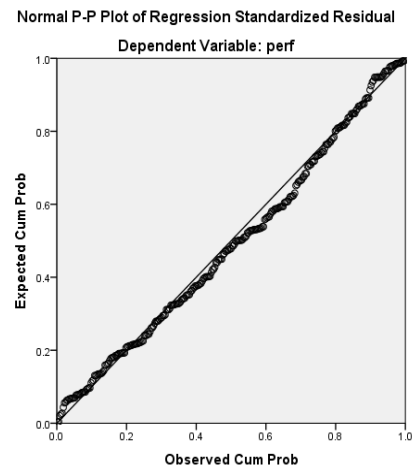
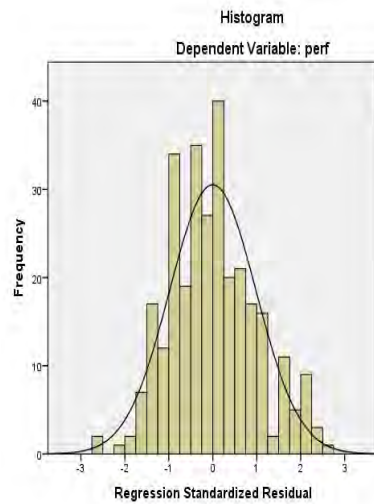
Please give your comments

THANK YOU!!

Appendix C: Missing Values Replacement Output

Result Variables						
	Result Variable	N of Replaced Missing Values	Case Number of Non-Missing Values		N of Valid Cases	Creating Function
			First	Last		
1	eics3_1	1	1	301	301	SMEAN(eics3)
2	eics4_1	1	1	301	301	SMEAN(eics4)
3	eics5_1	1	1	301	301	SMEAN(eics5)
4	eics7_1	1	1	301	301	SMEAN(eics7)
5	c2_1	1	1	301	301	SMEAN(c2)
6	c3_1	1	1	301	301	SMEAN(c3)
7	qwk2_1	2	1	301	301	SMEAN(qwk2)
8	qwk3_1	1	1	301	301	SMEAN(qwk3)
9	qwk4_1	1	1	301	301	SMEAN(qwk4)
10	qwk5_1	1	1	301	301	SMEAN(qwk5)
11	oid2_1	1	1	301	301	SMEAN(oid2)
12	oid3_1	1	1	301	301	SMEAN(oid3)
13	cd2_1	1	1	301	301	SMEAN(cd2)
14	ms2_1	1	1	301	301	SMEAN(ms2)
15	ms3_1	1	1	301	301	SMEAN(ms3)
16	ms4_1	1	1	301	301	SMEAN(ms4)
17	tmc3_1	1	1	301	301	SMEAN(tmc3)
18	tmc5_1	1	1	301	301	SMEAN(tmc5)
19	sp5_1	1	1	301	301	SMEAN(sp5)
20	sm2_1	1	1	301	301	SMEAN(sm2)
21	sm3_1	1	1	301	301	SMEAN(sm3)
22	sm4_1	1	1	301	301	SMEAN(sm4)
23	sm5_1	1	1	301	301	SMEAN(sm5)
24	iama2_1	1	1	301	301	SMEAN(iama2)
25	iama3_1	1	1	301	301	SMEAN(iama3)
26	cc1_1	1	1	301	301	SMEAN(cc1)
27	cc2_1	1	1	301	301	SMEAN(cc2)
28	cc5_1	1	1	301	301	SMEAN(cc5)
29	iaea3_1	1	1	301	301	SMEAN(iaea3)
30	iaea5_1	1	1	301	301	SMEAN(iaea5)
31	gr1_1	1	1	301	301	SMEAN(gr1)
32	gr3_1	1	1	301	301	SMEAN(gr3)
33	gr4_1	1	1	301	301	SMEAN(gr4)
34	pi3_1	1	1	301	301	SMEAN(pi3)
35	pi4_1	1	1	301	301	SMEAN(pi4)
36	pi5_1	1	1	301	301	SMEAN(pi5)
37	pi6_1	1	1	301	301	SMEAN(pi6)
38	fp5_1	1	1	301	301	SMEAN(fp5)
39	npf2_1	1	1	301	301	SMEAN(npf2)
40	npf4_1	1	1	301	301	SMEAN(npf4)

Appendix D: Regression Standardized Residuals



Appendix E: Interview Questions

- 1) Internal audit quality- based on your experience, what do you think about internal audit quality?
- 2) In what ways do you think internal audit relates to local government performance?
- 3) The results of my earlier study showed a strong positive relationship between internal audit quality and local government performance, can you throw some light on this?
- 4) How would you describe internal controls in the local government?
- 5) Could you explain the link between effective internal controls and local government performance?
- 6) My earlier study showed a strong positive relationship between effective internal controls and performance, could you kindly comment on this result?
- 7) Based on your experience, how would you describe internal audit relationship with management and auditees in the LGA?
- 8) What are your major challenges?
- 9) My earlier study found a weak influence of the above relationship on LG performance, could you please comment?
- 10) How would you describe internal and external audit collaboration in the LGA?
- 11) The results of my earlier study showed that IA and EA collaboration had a strong negative impact on performance of LGAs, what do you think?
- 12) How do laid down regulations (financial etc) impact LG performance? My earlier survey found it had a nonsignificant relationship with performance, could you comment this result?
- 13) What do you think of political interference in LG?
- 14) What impact does it have on LG performance? My earlier study results found a strong negative impact, could you comment?
- 15) How would you describe the ethical culture of LG? My earlier study showed it had a negative influence on LG performance, any clarification on the results?

16) How would you describe top management commitment in the LG? The results of my survey showed that top management commitment in the LG had a strong positive influence on LG performance, can you comment on this result?

17) What do you think about strategic planning in the LG? The results of my survey showed that strategic planning had a strong positive influence on LG performance, could you comment on this result?

18) How would you describe strategic mission in the LG? The results of my survey showed that strategic mission had a negative influence on LG performance, could you comment on this result?



Appendix F: Results of Selection Bias using Mann-Whitney U and Kruskal-Wallis Tests

Gender

Variables	Group	N	Mean Rank	Sum of Ranks	Test Statistic			
					Mann-Whitney U	Wilcoxon W	Z	Asymp. Sig.
LGP	Female	55	153.42	8438	6632	37013	-.228	.819
	Male	246	150.46	37013				
IAQ	Female	55	156.98	8634	6436	36817	-.564	.573
	Male	246	149.66	36817				
EICS	Female	55	159.87	8793	6277	36658	-.838	.402
	Male	246	149.02	36658				
IAMA	Female	55	163.67	9002	6068	36449	-1.203	.229
	Male	246	148.17	36449				
IAEA	Female	55	171.22	9417	5653	36034	-1.917	.055
	Male	246	146.48	36034				
CC	Female	55	161.75	8896.5	6173.5	36554	-1.017	.309
	Male	246	148.60	36554.5				
SP	Female	55	164.16	9029	6041	36422	-1.248	.212
	Male	246	148.60	36422				
GR	Female	55	153.74	8455.5	6614.5	36995.5	-.260	.795
	Male	246	150.39	36995.5				
TMC	Female	55	157.92	8685.5	6384.5	36765.5	-.655	.513
	Male	246	149.45	36765.5				
PI	Female	55	154.85	8516.5	6553.5	36934.5	-.364	.716
	Male	246	150.14	36934.5				
SM	Female	55	151.47	8331	6739	37120	-.045	.964
	Male	246	150.89	37120				

Professional Certification

Variables	Group	N	Mean Rank	Sum of Ranks	Test Statistic			
					Mann-Whitney U	Wilcoxon W	Z	Asymp. Sig.
LGP	With profcert	193	144.1	27809	9088	27809	-1.84	.065
	Without profcert	108	163.4	17642				
IAQ	With profcert	193	155.1	29939	9625.5	15511.5	-1.10	.271
	Without profcert	108	143.6	15511.5				
EICS	With profcert	193	150.86	29116.5	10395.5	29116.5	-.037	.971
	Without profcert	108	151.25	16334.5				
IAMA	With profcert	193	146.37	28249.5	9528.5	28249.5	-1.24	.214
	Without profcert	108	159.27	17201.5				
IAEA	With profcert	193	148.48	28657.5	9936.5	28657.5	-.67	.500
	Without profcert	108	155.50	16793.5				
CC	With profcert	193	147.30	28429.5	9708.5	28429.5	-.988	.323
	Without profcert	108	157.61	17021.5				
SP	With profcert	193	148.19	28601	9880	28601	-.753	.451
	Without profcert	108	156.02	16850				
GR	With profcert	193	157.70	30436	9129	15015	-1.80	.071
	Without profcert	108	139.03	15015				
TMC	With profcert	193	147.23	28414.5	9693.5	28414.5	-1.01	.312
	Without profcert	108	157.75	17036.5				
PI	With profcert	193	156.80	30262.5	9302.5	15188.5	-1.55	.121
	Without profcert	108	140.63	15188.5				
SM	With profcert	193	148.55	28670	9949	28670	-.66	.512
	Without profcert	108	155.38	16781				

Kruskal-Wallis Test (Experience in Internal Audit)

Variables	Group	N	Mean Rank	Test Statistics		
				Chi-Square	df	Asymp. Sig
LGP	< 5 years 1-5 years 5-10 years Above 10 yrs	25 117 108 40	135.98 155.75 142.59 129.34	3.695	3	.296
IAQ	< 5 years 1-5 years 5-10 years Above 10 yrs	25 117 108 40	143.56 153.85 129.82 164.63	7.037	3	.071
EICS	< 5 years 1-5 years 5-10 years Above 10 yrs	25 117 108 40	136.78 151.21 136.87 157.56	2.798	3	.424
IAMA	< 5 years 1-5 years 5-10 years Above 10 yrs	25 117 108 40	137.72 155.59 137.39 142.75	3.001	3	.391
IAEA	< 5 years 1-5 years 5-10 years Above 10 yrs	25 117 108 40	170.40 150.14 137.87 136.99	3.913	3	.271
CC	< 5 years 1-5 years 5-10 years Above 10 yrs	25 117 108 40	168.66 149.08 137.89 141.10	3.137	3	.371
SP	< 5 years 1-5 years 5-10 years Above 10 yrs	25 117 108 40	149.62 152.76 132.62 156.45	4.219	3	.239
GR	< 5 years 1-5 years 5-10 years Above 10 yrs	25 117 108 40	170.16 145.42 138.39 149.51	3.087	3	.378
TMC	< 5 years 1-5 years 5-10 years Above 10 yrs	25 117 108 40	129.68 156.85 131.73 160.58	7.143	3	.067
PI	< 5 years 1-5 years 5-10 years Above 10 yrs	25 117 108 40	127.76 142.76 146.56 161.74	2.784	3	.426
SM	< 5 years 1-5 years 5-10 years Above 10 yrs	25 117 108 40	153.78 157.32 128.95 150.44	6.965	3	.073

Kruskal-Wallis Test (Geopolitical Zone)

Variables	Group	N	Mean Rank	Test Statistics		
				Chi-Square	df	Asymp. Sig.
LGP	North-Central North-East North-West South-East South-West South-South	57 34 61 41 59 49	148.77 119.00 162.08 171.60 150.97 144.81	8.187	5	.146
IAQ	North-Central North-East North-West South-East South-West South-South	57 34 61 41 59 49	154.76 118.68 159.09 159.41 155.36 146.69	5.980	5	.308
EICS	North-Central North-East North-West South-East South-West South-South	57 34 61 41 59 49	145.53 116.24 156.46 168.56 158.75 150.67	8.066	5	.153
IAMA	North-Central North-East North-West South-East South-West South-South	57 34 61 41 59 49	144.48 106.69 163.67 169.71 169.99 135.03	11.233	5	.047
IAEA	North-Central North-East North-West South-East South-West South-South	57 34 61 41 59 49	142.39 131.87 157.08 159.98 159.98 148.39	3.650	5	.601
CC	North-Central North-East North-West South-East South-West South-South	57 34 61 41 59 49	149.81 105.28 153.87 167.73 162.73 152.11	12.180	5	.032
SP	North-Central North-East North-West South-East South-West South-South	57 34 61 41 59 49	146.75 104.72 160.24 167.65 162.28 149.05	5.233	5	.388
GR	North-Central North-East North-West South-East South-West South-South	57 34 61 41 59 49	159.02 105.93 152.77 161.12 159.14 152.47	10.923	5	.053

TMC	North-Central	57	158.13	10.797	5	.056
	North-East	34	111.72			
	North-West	61	146.99			
	South-East	41	155.44			
	South-West	59	170.86			
	South-South	49	147.32			
PI	North-Central	57	165.35	7.419	5	.191
	North-East	34	170.25			
	North-West	61	132.95			
	South-East	41	146.35			
	South-West	59	158.24			
	South-South	49	138.59			
SM	North-Central	57	153.46	2.545	5	.770
	North-East	34	146.24			
	North-West	61	151.10			
	South-East	41	168.70			
	South-West	59	146.41			
	South-South	49	142.05			

Sig at $P < .05$

Post Hoc Test – Geopolitical Zone

Multiple Comparisons- Bonferroni (Corporate Ethical Culture-CC)

(I) Geozone	(J) Geozone	Mean diff (I-J)	Std. Error	Sig.	95% Confidence ^b	
					Lower bound	Upper bound
North-Central	North-East	2.491	1.033	.249	-.568	5.550
	North-West	-.074	.879	1.000	-2.674	2.527
	South-East	-.742	.977	1.000	-3.633	2.148
	South-West	-.584	.886	1.000	-3.206	2.137
	South-South	.131	.929	1.000	-2.619	2.881
North-East	North-Central	-2.490	1.033	.249	-5.550	.568
	North-West	-2.564	1.021	.188	-5.586	.457
	South-East	-3.233	1.106	.056	-6.651	.042
	South-West	-3.075	1.027	.045	-6.115	-.035
	South-South	-2.360	1.064	.411	-5.511	.791
North-West	North-Central	.073	.878	1.000	-2.527	2.674
	North-East	2.564	1.021	.188	-.456	5.586
	South-East	-.668	.963	1.000	-3.519	2.182
	South-West	-.511	.871	1.000	-3.088	2.067
	South-South	.204	.915	1.000	-2.504	2.913
South-East	North-Central	.742	.976	1.000	-2.148	3.633
	North-East	3.233	1.106	.056	-.042	6.507
	North-West	.668	.963	1.000	-2.182	3.519
	South-West	.158	.969	1.000	-2.713	3.028
	South-South	.873	1.009	1.000	-2.112	3.861
South-West	North-Central	.584	.886	1.000	-2.037	3.263
	North-East	3.075	1.027	.045	.035	6.115
	North-West	.511	.871	1.000	-2.067	3.088
	South-East	-.158	.969	1.000	-3.028	2.712
	South-South	.715	.922	1.000	-2.013	3.443

South-South	North-Central	-.130	.929	1.000	-2.881	2.619
	North-East	2.360	1.064	.411	-.791	5.511
	North-West	-.204	.915	1.000	-2.912	2.503
	South-East	-.873	1.009	1.000	-3.861	2.115
	South-West	-.715	.922	1.000	-3.443	2.013

Multiple Comparisons- Bonferroni (Internal audit relationship with management and auditees-IAMA)

(I) Geozone	(J) Geozone	Mean diff (I-J)	Std. Error	Sig.	95% Confidence ^b	
					Lower bound	Upper bound
North-Central	North-East	2.155	.874	.215	-.434	4.744
	North-West	-.655	.743	1.000	-2.856	1.545
	South-East	-.858	.826	1.000	-3.305	1.588
	South-West	-.706	.749	1.000	-2.926	1.512
	South-South	.552	.786	1.000	-1.776	2.879
North-East	North-Central	-2.155	.874	.215	-4.744	.434
	North-West	-2.810	.864	.019	-5.368	-.253
	South-East	-3.013	.936	.022	-5.785	-.242
	South-West	-2.862	.869	.017	-5.434	-.289
	South-South	-1.603	.901	1.000	-4.270	1.063
North-West	North-Central	.655	.743	1.000	-1.545	2.856
	North-East	2.810	.864	.019	.253	5.367
	South-East	-.203	.815	1.000	-2.616	2.210
	South-West	-.051	.737	1.000	-2.233	2.130
	South-South	1.207	.774	1.000	-1.085	3.499
South-East	North-Central	.858	.826	1.000	-1.588	3.305
	North-East	3.013	.936	.022	.242	5.785
	North-West	.203	.815	1.000	-2.210	2.616
	South-West	.152	.820	1.000	-2.277	2.581
	South-South	1.410	.854	1.000	-1.118	3.939
South-West	North-Central	.706	.749	1.000	-1.512	2.926
	North-East	2.862	.869	.017	.289	5.434
	North-West	.051	.737	1.000	-2.130	2.233
	South-East	-.152	.821	1.000	-2.581	2.277
	South-South	1.258	.780	1.000	-1.051	3.568
South-South	North-Central	-.552	.786	1.000	-2.879	1.776
	North-East	1.603	.901	1.000	-1.063	4.270
	North-West	-1.207	.774	1.000	-3.499	1.085
	South-East	-1.410	.854	1.000	-3.939	1.118
	South-West	-1.258	.780	1.000	-3.568	1.051